



GERMAN  
HOSPITAL  
CAIRO

# **SGH-Cairo Strategic Plan 2018-2021**



## Message from the CEO:

At SGH-Cairo, our philosophy builds upon our values and describes how they manifest themselves culturally and attitudinally. It exists through our actions, our ethos, and our work with one another.

We are committed to provide an exceptionally caring and friendly experience for our patients and their families.

We don't blame, but do encourage one another to do better. By encouraging each of us to commit to personal growth, and by actively reducing harm or risks in our hospital, we create an environment of healing and happiness for our patients.

This is a time for building on our strengths, improving further on what we do best, and focusing on excellence. It is a time to build upon our culture and to make our patients and their families feel more welcome and comfortable at our hospital. And it is a time to show to the world what it means to be a leading, center of excellence hospital.

I am so proud to deliver this **Three-Year Strategic Plan** for **SGH-Cairo** which readies us for the future and its challenges. This ensures that our strategic direction will be well-aligned with the needs and aspirations of our community and our staff.

Dr. Mohamed Hablas

CEO of Saudi German Hospital-Cairo



## **Executive Summary:**

Saudi German Hospitals are the largest private healthcare provider in the Middle East and North African region.

Saudi German Hospital-Cairo is a tertiary healthcare provider in Cairo city providing high quality services to its geographical area. SGH-Cairo is a community-friendly hospital by building constructive partnership relation with all governmental officials, private sectors and other community partners.

We focused as per market research on subspecialties and centers of excellence that serve more market segments.

## **Overview of SGH Group and SGH Cairo:**

Saudi German Hospitals are considered the largest private Healthcare provider in the MENA region (Middle East & North Africa). Saudi German Hospitals are multi-functional Healthcare provider which are considered Healthcare developers and not just operators, currently with five hospitals in Kingdom of Saudi Arabia, one in Yemen will be opening soon, two branches in UAE, and one branch in Cairo (Egypt). Together with three hospitals are under construction in (Alexandria) Egypt, (El-Damam) KSA and (Ajman) UAE and 10 greenfield projects in MENA region.

Saudi German Hospitals provide high quality medical services and dedicating all rare medical specialties in cooperation with international organizations to comply with the latest technology in healthcare.



### **Group Vision:**

To be the regional healthcare leader through the largest network of hospitals, delivering excellence in patient care, and creating value for all stakeholders.

### **Group Mission:**

To provide quality healthcare in all specialties with highest level of ethical standards and personalized care to achieve superior medical outcome and patient satisfaction.

### **SGH-Cairo:**

Saudi German Hospital-Cairo started in March 16<sup>th</sup> -2016 as the first branch in Egypt. Stemming from our deep belief that every minute counts and that all patients deserve a premium health “Care”, at SGH-Cairo we introduce a new concept for medical treatment and care in the Egyptian community. Backed by the renowned Egyptian expertise and international best practices in the medical field, we are aiming at delivering a new healthcare paradigm to Egypt and the whole MENA region. Through our multi-health divisions, continuously improving our systems, professional calibers and premium quality infrastructure.

“Proficiency, dedication and caring with the maximum degrees of human dignity are the core elements that drive our actions at SGH-Cairo.”

### **SGH Cairo Vision:**

To be the most trusted Healthcare Provider in the MENA region through delivering excellent Quality of Care based on evidence by the End of 2020.



### **SGH Cairo Mission (WE CARE):**

- ☐ Working hard to satisfy our staff, as well as our customers.
- ☐ Ensuring excellence of quality of care through evidence-based practices.
- ☐ Cooperating with the community & the stakeholders to provide the best quality of care.
- ☐ Achieving financial goals through providing accessible care to the customers with reasonable cost.
- ☐ Recognition of our staff & ensuring staff developments programs.
- ☐ Ensuring safe environment of care for our customers, as well as our staff.

### **SGH Cairo Values (I CARE)**

- Integration.
- Collaboration.
- Accountability.
- Respect.
- Empathy.

This Strategic Plan is a response to key issues and challenges over the coming three years: -

- **Increased Population:**

Demand for health services is increasing as the population grows and lives longer. Egypt is the most populous country in the Arab world and the third most



populous country in Africa, behind Nigeria and Ethiopia, with growth rate in 2018 equals 1.87%. Most of the country is desert, so about 95% of the population is concentrated in a narrow strip of fertile land along the Nile River, which represents only about 5% of Egypt's total land area.

Egypt's population is generally rising at an extremely progressive rate while there is no corresponding increase in the healthcare providers to cope with the population's healthcare need; which creates a huge gap between the demand and supply in the healthcare services market.

To meet the needs of this increasingly growing patients' population, new approaches will be required.

- **Growing Patient's Expectations:**

Like never before, patients are expecting more from their healthcare providers. They are taking advantage of unprecedented access to information to become more diligent and informed about their health. Many patients Google their symptoms before they visit a healthcare provider and diagnose themselves before walking into a clinic. When they visit physicians, they are really seeking a second opinion for what they have already learned. Doctors are still viewed as experts whose opinions trump what they have learned on the internet, but only when that opinion can be justified with evidence.

They want to be engaged, informed and active in their care. Patients and their families want tools to help navigate health services that are accessible, leading-



edge and appropriate. Patients are being empowered as an important partner in the design and delivery of care. They don't just want their voices heard, they want to be at the decision table.

Informed patients will demand increasing accountability, integrity and transparency from their health systems.

The growing power of the patient as discerning consumer is creating new global markets and informing new models for care.

- **Financial Sustainability:**

We will need to continually identify efficient, new value-creating models to improve productivity that manage demand more effectively and transform the supply side to eliminate inefficiencies and waste to meet the growing demand for health services besides achieving our financial targets.

- **Human Capital Development:**

There will be a need to support, train and develop greater numbers of new healthcare workers to respond to advances in health technology, emerging evidence-based healthcare practices and workforce shortages, and to ensure job satisfaction for all clinical and non-clinical staff.

The workforce needs to have the skills and levels of expertise to provide patients with the most clinically effective care, as there is a significant gap between the needed experience and practical knowledge to provide



high quality healthcare services and what they have learned in the medical schools.

Our workforce underpins our ability to provide the best care. New workforce models will be required to meet the changing healthcare needs of our community, to enable adoption of emerging best practice and team-based approaches to care, and to improve productivity.

- **Technological Changes:**

The ability to diagnose and treat a much broader range of medical conditions will continue as a result of rapid growth and sophistication in health technologies.

Information technology, business intelligence and clinical information systems like the electronic medical record are expected to substantially change the way services are accessed and delivered.

Patients are taking a greater interest in their care and are more willing to self-manage. Wireless technology will improve access to health for people around the world. The empowered patient knows more, wants more and is able to do more for themselves.





## Our Context:

### SWOT Analysis for SGH-Cairo:

The SWOT analysis is to describe the context in which SGH-Cairo operates. It briefly summarizes the transformations underway in the present healthcare system, strengths and weaknesses of SGH-Cairo besides the opportunities and challenges in the healthcare market.

Strengths	Weaknesses
1-SGH group strong brand name.	1-Admission and discharge waiting time.
2-Experience of SGH group in hospital operations.	2- High staff turnover in blue collars and nurses.
3-Resources availability.	3-IT system's limitations due to centralization of programming.
4-Hospital infrastructure and equipment.	4-Communication between different departments due to cultural problems.
5-Continuous medical and non-medical education and training.	5-Waiting time in some areas like OPD, pharmacy and radiology.
6-Stable Work Environment.	6-Follow-up with discharging patients.
7-Organizational structure & career path with good opportunities for future expansion plans.	7-High cost of supplies due to the supply chain system is not well-established yet.
8-Full-time basis employed staff contracts for doctors, nurses and technicians increase the practice time resulting in high core competencies in quality and customer service.	8-Marketing and advertisement for the target segments.
9-Continuous accreditation process including JCI and Temos, as well	



as, ISO certification with different accreditations targets to maintain ongoing evaluation and monitoring processes according to the mostly updated international standards.	
10-The hospital is a one-stop shop, providing various medical specialties and subspecialties.	
Opportunities	Threats
1- New opportunities for different markets in Africa and Middle East especially in Libya, Yemen, and Syria due to their political problems, together with rising of medical tourism trend in Egypt with devaluation of the Egyptian currency resulting in low prices of the medical services in comparison to the international market.	1-Aquisitions and merges in the Egyptian healthcare market may lead to manipulation.
2- High demand for healthcare services in the Egyptian market especially in the critical care beds.	2- Economic instability leads to frequent changes in the cost elements.
3- Rarity of well-institutionalized healthcare organizations in the Egyptian private market.	3- Low prices of the new national insurance law.
4-Increasing patients 'awareness about the importance of quality in healthcare services.	4- Headhunting from new hospitals.
5- Abundance of qualified medical workforce in Egypt.	5- Political and unionization of healthcare lobbies against private investment in the healthcare market.



	6-Weak regulations against the unethical media acts in Egypt.
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### Our Strategic Priorities:

The current SGH-Cairo Scorecard has four reporting elements which provide a high level summary of how the hospital is performing across a range of indicators linked to our strategic goals

1. **Internal Business Process:** Exceptional patient experience.
2. **Internal Business Process:** Delivery of excellent, evidence-based and effective healthcare service.
3. **Learning and Growth:** Excellent workplace where you work, learn and develop.
4. **Customers:** Patient-Centered Care.
5. **Financial Perspective:** Efficient, continuously growing revenue hospital.

The key performance indicators drive our operational plans and ensure that we are achieving our stated goals and objectives. The Scorecard is reviewed by the CEO and Executive on a monthly basis.

#### Priority One: Exceptional Patient Experience:

Almost 209,997 patients came to us during the last year as inpatients or to our specialist clinics. Each point in their journey is an opportunity for us to provide the highest quality care, information and support that, collectively, contribute to the patient's optimal health outcome. We aim to improve health literacy, self-management and, ultimately, increase satisfaction with our patients 'overall experience of our care.

Objective	<b>Enhance Patient relationship through a patient-centered model.</b>	
	Key Actions	



### Priority Two: Delivery of Excellent, Evidence-Based and Effective Healthcare Service:

We deliver an extensive range of specialty and sub-specialty services. We will position SGH-Cairo as an Egyptian leader in healthcare service, linked internationally, with pre-eminent partners. This gives us the capacity to advance basic, clinical and translational service, which in turn will attract trainees, top class clinicians and other high caliber staff. We will clearly articulate and delineate our areas of intended specialization and continue to attract the world's best people, models and technology to deliver outstanding care.

Objective	<b>Increase patient satisfaction and brand loyalty.</b>	
	Key Actions	

### Priority Three: Excellent Workplace Where You Work, Learn and Develop.

Our 1173 staff members are not just the human face of SGH-Cairo; they are by far our largest financial investment. We recognize that our strategic priorities can only be delivered by staff who are motivated, committed to excellence, and intend to stay with us. Our challenges include our growing labor shortages in our industry, yet we enjoy extraordinarily high levels of positive employee engagement compared to others.



We will implement new workforce models that increase the productivity and flexibility of our workforce, optimize the availability and adaptability of staff, and better support interdisciplinary practice, and improve the delegation of service activity. In addition, we will continue our focus on health and safety of all our people.

Objective	<b>Recognition of Our Staff based on credible, fair objective methods on quarterly, semi-annual and annual basis.</b>	
	Key Actions	<ul style="list-style-type: none"><li>• Increasing Staff Productivity &amp; Satisfaction:<ul style="list-style-type: none"><li>○ Create a learning path guided by the assessment.</li><li>○ Ensure assessment consistency across the hospital.</li><li>○ Employee satisfaction survey.</li></ul></li></ul>

Objective	<b>Developing of Our Staff's Skills and Knowledge through Internationally-Accredited Training Programs on Monthly Basis.</b>	
	Key Actions	<ul style="list-style-type: none"><li>• Providing our staff with different training programs.</li><li>• Training hours per Quarter.</li></ul>

Objective	<b>Improvement of our Staff Engagement and Performance.</b>	
	Key Actions	<ul style="list-style-type: none"><li>• Increase staff engagement.</li><li>• Improve teamwork skills.</li></ul>



### Priority Four: Patient-Centered Care.

Providing care that is respectful of, and responsive to, individual patient preferences, needs and values, and ensuring that patient values guide all clinical decisions. Besides, assessing our community needs and provide the required healthcare services accordingly. We commit to embedding a culture of patient and family centered care, in which every aspect of our service delivery are designed around the needs and preferences of patients.

Objective	Implementation of Patient-Centered Care Principles.	
	Key Actions	<ul style="list-style-type: none"><li>• Respect our patients' preferences.</li><li>• Involvement of patients in decision making based on their needs.</li><li>• Patients' education.</li><li>• Provision of high quality infrastructure to ensure physical comfort to our patients.</li><li>• Support groups from healthcare providers, social workers and psychiatrics to provide the emotional support for our patients.</li><li>• Follow-up system with our patients to assure continuity of care even after discharge.</li><li>• Market our services in our community.</li></ul>



	<ul style="list-style-type: none"><li>• Having a valuable feedback on our services and facilities in terms of patient's satisfaction questionnaires.</li><li>• Evaluate our community demographically.</li><li>• The approach will be a patient-oriented healthcare provider as we believe in our motive that our hospital is a patient-oriented hospital.</li><li>• Partnership orientation and health awareness programs for our community.</li><li>• Being accommodative and paying great attention while dealing with our community.</li><li>• Partnership scientific activities calendar with Ministry of Health and medical schools in terms of Continuous Medical Education hours.</li><li>• Active participation in our community related seminars and meetings.</li><li>• Building strong relation with all types of the stakeholders.</li></ul>
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### Priority Five: Efficient, Continuously Growing Hospital.

In the face of growing demand and tight budgets, the overall productivity and sustainability of health services is a key challenge for management. We will continue to show financial accountability and leadership through updating equipment and stay abreast of technological advances, as well as allocating our resources in a way that maximizes overall quality and performance.

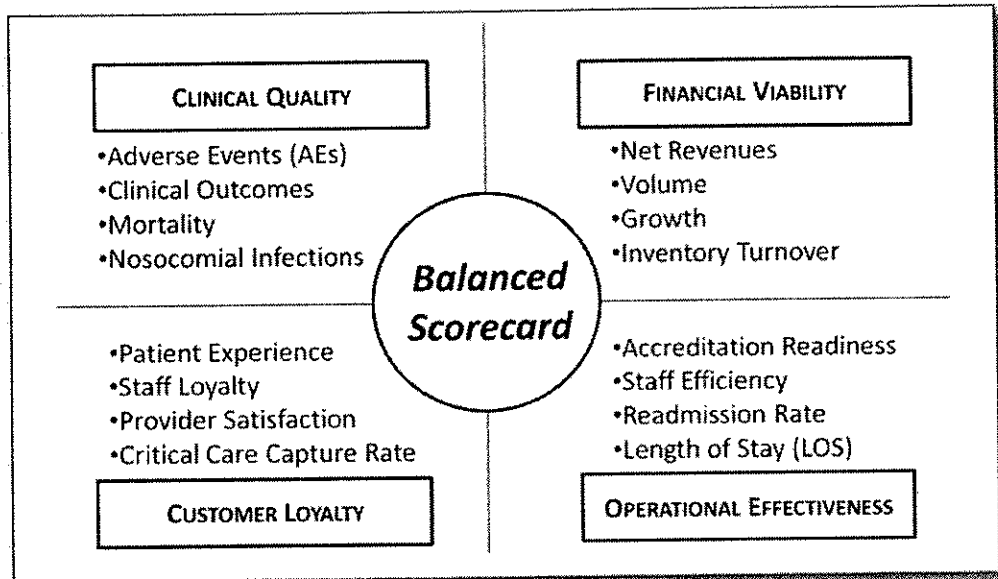


Objective	<b>Efficient Hospital with maximum productivity and least waste using Data-Driven Approach and Methodology for Eliminating Defects.</b>	
	Key Actions	<ul style="list-style-type: none"><li>• Our care will be done with optimal utilization of available resources (no over or underutilization).</li><li>• Cost leadership for charge business &amp; common cash procedures to insurance market share.</li><li>• Market differentiation for unique subspecialties.</li><li>• Expand customer base through increasing vertical and horizontal access.</li><li>• Establish an effective, dynamic pricing strategy to match patient mix.</li></ul>

Objective	<b>Increasing the Hospital's Net Revenue by 150% By the End of 2021.</b>	
	Key Actions	<ul style="list-style-type: none"><li>• Maintain promotions for cash patients.</li><li>• Maintaining cash business in 2018 and growing cash by 100% in 2021.</li><li>• Maintaining Losses and discounts below 20%.</li><li>• To improve Billing, Collection and Reduce Rejections. Establish an effective, dynamic pricing strategy to match patient mix.</li><li>• Fully integrated ERP Financial module with Web HIS along with related financial reports.</li><li>• Keep all inventory within 60 Days.</li><li>• To Train all staff with new ERP and WEB HIS System.</li></ul>



## Hospital Balanced Score Card:



### 1- Financial Perspective:

#### A) Measures used to evaluate SHAREHOLDER VALUE

1. Return on assets /ROA
2. Return on equity /ROE
3. Earnings per share. /EPS
4. Economic value added / EVA
5. Market value added. /MVA

#### B) Measures used to evaluate RISK CONTAINMENT & FINANCIAL STABILITY

1. Debt to asset ratio (D/A) = Debt ratio
2. Debt to equity (capital structure) (D/E)
3. Interest coverage ratio
4. Current ratio.
5. Acid-fast ratio.

#### C) Measures used to evaluate REVENUE GROWTH & PROFITABILITY

1. Net profit
2. Profit Margins

#### **D) Measures used to evaluate REDUCTION OF COSTS & EFFICIENT ASSET UTILIZATION**

These measures are shared with measures of INTERNAL BUSINESS PROCESS AND WILL BE DISCUSSED THERE.

1. Inventory Turnover
2. AR Turnover
3. Assets Turnover.
4. **Average lead time**
5. **Stock-outs**
6. Percentage of defective products.
7. Percentage of returned products.
8. Warranty claims.
9. Number and relationship with suppliers

#### **2- Measures for the Customer Perspective:**

- a. Market Share
- b. Compound Annual Growth Rate/CAGR
- c. Customer Satisfaction and Willingness to Recommend.
- d. Brand Loyalty.

#### **3- Measures for the Internal Process Perspective:**

- a. Bed Occupancy Rate.
- b. Average Length of Stay.
- c. Readmission Rate
- d. Medical Errors
- e. Adverse and Sentinel Events
- f. Patient Falls.
- g. Mortality Rate
- h. Hospital Acquired Infection Rate
- i. Waiting time (Time to Service)
- j. Cost per Patient Day
- k. Percent of ER patients Triage within 15 minutes of arrival.
- l. Physician/Nurse ratio
- m. Nurse/Patient ratio in in-patient and critical units.
- n. Number of patients leave without being seen.

- o. Physician Performance (average number of cases/day or year. and revenue per physician).
- p. In-patient/Out-patient ratio

**The internal process should cover:**

- ☐ **Operational Aspect.**
- ☐ **Quality and Safety of Medical Services.**
- ☐ **Hospital Information System. (HIS)**

#### **4- Measures Employee Learning & Growth Perspective:**

1. Employee satisfaction
2. Employee Turnover
3. Employee Complaints
4. Percentage of employees with advanced degrees.
5. Employee participation in decision making.
6. Absenteeism.
7. Training Hours.
8. Cost of hiring

#### **The Hospital Objectives:**

Perspective	Objectives
<b>Financial</b>	<ol style="list-style-type: none"> <li>1. Maximize shareholder value and payback by the end of the 3rd year (2022)</li> <li>2. Minimizing financial risk</li> <li>3. Increase profitability</li> <li>4. Revenue growth from the existing market.</li> </ol>
<b>Customer</b>	<ol style="list-style-type: none"> <li>1. Increase patient satisfaction and loyalty.</li> <li>2. Becoming the market leader in the MENA region.</li> </ol>
<b>IP</b>	<ol style="list-style-type: none"> <li>1. Operational excellence and maximum use of resources.</li> <li>2. Achieve the highest quality of medical service.</li> <li>3. Maximize patient safety.</li> </ol>

**L & G**

1. Increase employee morale and commitment.
2. Competent and professional workforce.

**Performance Measures for the long-term objectives:**

<b>Objective</b>	<b>Performance measure</b>
<b>Maximizing shareholders value and payback by the end of 3rd year.</b>	ROE ROA
<b>Minimizing financial risk</b>	Debt ratio Debt/equity ratio
<b>Increase profitability</b>	Net profit margin
<b>Revenue growth from existing market</b>	AGR (Annual Growth Rate) Total revenue
<b>Increase patient satisfaction and loyalty</b>	NPS (Net Promoter Score) Number of patient's complaints Patients leave without being seen
<b>Becoming the market leader</b>	Number of patients per year
<b>Operational excellence and efficient use of resources</b>	LOS BOR (Bed Occupancy Ratio) Inpatient/outpatient ratio Percentage of claims rejection
<b>Achieving the highest quality of medical care</b>	Readmission to inpatient within 30 days of discharge Mortality rate Hospital acquired infection rate
<b>Maximize patient safety</b>	Number of patient falls. Number of adverse and sentinel events
<b>Increase employee morale and commitment</b>	Employee satisfaction rate Turnover rate
<b>Competent and professional workforce</b>	Training hours (CME)

### Setting Targets:

Measure	Target		
	Year 1	Year 2	Year 3
ROE			
ROA			
Debt ratio			
Debt to equity			
Net profit margin			
Growth rate			
Total revenue			
NPS			
Number of complaints			
Patients leave without being seen			
Number of patients per year			
LOS			
BOR			
Inpatient/outpatient ratio			
Percentage of claims rejection			
Readmission to inpatient within 30 days of discharge			
Mortality rate			
Hospital acquired infection rate			
Number of patient falls.			
Number of adverse and sentinel events			
Employee satisfaction rate			
Turnover rate			
Training hours (CME)			

### Initiatives

1. Full implementation of HIS.
2. Australian Accreditation.
3. Community participation programs.
4. Digital marketing.
5. After discharge contact programs.
6. Incentive system based on performance.
7. Meticulous and attractive recruitment and retention plan.
8. Career development programs.
9. Competent insurance department.

		Objective	KPI	Target			Initiative
				2019	2020	2021	
Finance	Maximize shareholder value	ROE					
		ROA					
	Minimize financial risk	Debt /Assets					
		Debt /Equity					
	Increase profitability	Net profit margin					
	Revenue growth from existing market	AGR					
		Total revenue					
Customer		NPS					
	Increase patient satisfaction & loyalty	Number of patient complaints					
		Number of patients who leave without being seen					
	Become the market leader	Annual patient volume					
	Operational excellence & efficient use of resources	Average LOS					
		BOR					
		In-patients/out-patient ratio					

IP		% claims rejection			
		Mortality rate	3%	2%	1%
	The best quality of services.	Hospital acquired infection.	5%	4%	1%
		Readmission within 30 days.	0	0	0
		Number of patient falls	0	0	0
	Maximize patient safety	Number of adverse and sentinel events.	0	0	0

L&G	Increase employee morale and commitment	Employee satisfaction rate	75%	80%	90%
		Turnover rate	8%	6%	4%
	Competent and professional staff	CME			
		Training hours			